

MILITARY PERSONAL PROPERTY AND CLAIMS SYMPOSIUM

15 August 2000

Holiday Inn Hotel and Suites
625 First Street
Alexandria, VA 22314

Military Chairperson

COL (s) Nonie Cabana

Industry Chairperson

Mr. Bob Ewing

AGENDA

0830 hours - 0840 hours

Opening Comments

0840 hours - 1220 hours

Old Business and Topics

OLD BUSINESS

<u>ITEM</u>	<u>SUBJECT</u>	<u>PROPOSERS</u>
122	619 Forms and the DTR	American Moving and Storage Association United States Transportation Command
123	New 619	American Moving and Storage Association United States Transportation Command and Personal Property Systems Branch
129	Item 508 – Crating Rates, International Solicitation	Household Goods Forwarders Association Domestic and International Rates Branch
130	Excess Distance / Long Carry	Household Goods Forwarders Association Domestic and International Rates Branch
133	No 'Date Signed' on the 1840	American Moving and Storage Association Carrier Qualifications and Performance Branch and Military Services
135	DSC Realignment	American Moving and Storage Association Military Services and Operations Branch
141	Payment to Agents when Carriers Cease Operations	American Moving and Storage Association Defense Finance and Accounting Services

OLD BUSINESS (Continued)

<u>ITEM</u>	<u>SUBJECT</u>	<u>PROPONENTS</u>
147	Conversion to NTS	American Moving and Storage Association Military Claims Services
148	Liability on NTS Conversion	American Moving and Storage Association Military Claims Services

TOPICS

<u>ITEM</u>	<u>SUBJECT</u>	<u>PROPONENTS</u>
149	Defense Transportation Regulation (DTR) - Part IV	Household Goods Forwarders Association United States Transportation Command
150	Updates to DTR - Part IV	American Moving and Storage Association United States Transportation Command
151	Item 515 – International Solicitation	Household Goods Forwarders Association Domestic and International Rates Branch
152	Item 522 – Termination of HHG Shipment	Household Goods Forwarders Association Domestic and International Rates Branch
153	Puerto Rico – Accessorial Rates	Household Goods Forwarders Association Domestic and International Rates Branch
154	Overseas Line Haul Rates – Schedule B	Household Goods Forwarders Association Domestic and International Rates Branch
155	TQAP Regulations	American Moving and Storage Association Carrier Qualification and Performance Branch
156	Inventory Preparation	American Moving and Storage Association Carrier Qualification and Performance Branch
157	Immediate Suspensions	American Moving and Storage Association Carrier Qualification and Performance Branch

TOPICS (Continued)

<u>ITEM</u>	<u>SUBJECT</u>	<u>PROPONENTS</u>
158	Appeals Process for Agent Disqualification	American Moving and Storage Association Carrier Qualification and Performance Branch
159	Carton Testing Standards/ Loading Shipments	American Moving and Storage Association Storage and POV Branch
160	Packing Procedures	American Moving and Storage Association Storage and POV Branch
161	SIT Clearance	American Moving and Storage Association Personal Property Operations Branch
162	DD Form 619	American Moving and Storage Association Personal Property Systems Branch
163	PowerTrack	American Moving and Storage Association Personal Property Systems Branch
164	DFAS-IN / Duplicate Requests for GBLs	Household Goods Forwarders Association Defense Finance and Accounting Services
165	Live Ink Signatures	Household Goods Forwarders Association Defense Finance and Accounting Services
166	Information on Refund Checks	American Moving and Storage Association Defense Finance and Accounting Services and Military Claims Services
167	SIT Waivers	American Moving and Storage Association Defense Finance and Accounting Services
168	NTS Payments	American Moving and Storage Association Defense Finance and Accounting Services
169	DFAS Payments	American Moving and Storage Association Defense Finance and Accounting Services
170	Document Requests from GSA Audits	American Moving and Storage Association GSA Audits

TOPICS (Continued)

<u>ITEM</u>	<u>SUBJECT</u>	<u>PROPOSERS</u>
171	Personal Watercraft (Jet Skis)	Household Goods Forwarders Association Military Services
172	Summer Peak Season	American Moving and Storage Association Military Services
173	Claims – Code J Shipments	Household Goods Forwarders Association Military Claims Services
174	Claims Rebuttal Time Limits	American Moving and Storage Association Military Claims Services
175	Copies of Military Inspections	American Moving and Storage Association Military Claims Services
176	Unpacking	American Moving and Storage Association Military Claims Services

ITEM: 122

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: United States Transportation Command

SUBJECT: 619 Forms and the DTR

DISCUSSION: At the last M/I, in September, the USTRANSCOM representative failed to notify Industry that the DTR - Part IV had been issued six weeks prior to the M/I, on August 2. The first indication that the DTR - Part IV had been approved was provided in late October, with an official copy provided to the Associations in December. We further learned that the DTR included a new version of the DD Form 619, dated October 1998. No mention of the new 619 form was made to Industry at any point within the first year of the form's existence.

Efforts to revise the DD Form 619 were the subject of several M/I items and other meetings in the early 1990s, but our records indicate that these discussions ceased in 1993 when Ms. Vivian Washington, the original point of contact, was assigned other duties in a reorganization of MTMC. We were therefore completely surprised to learn that a different version of the form was finalized and published five years later. As an example, one of the suggestions being considered was to combine the two forms.

DOD often espouses the virtues of partnering with Industry. Partnership requires some communication, and this type of form that is used on a regular basis by the Industry should have some Industry input in its design. Furthermore, once a new form is adopted, DOD needs to let us know and provide an adequate lead time to eliminate stocks of the old version and print copies of the new one prior to implementation.

RECOMMENDATION: Military and Industry representatives should work together to determine whether the new version of the DD Form 619 and 619-1 will meet everyone's needs, including whether the forms should be combined. If the new version is determined to be superior, movers should be permitted to phase in usage of the form after exhausting their existing supplies. Some military bases are requiring agents to start using the form on April 1, 2000, or some other arbitrary date. They should be advised to work with agents to transition to whatever version makes the most sense. Finally, Industry should be advised if any other forms are being revised.

RESPONSE: *Industry expressed concern as to why the loss and damage section is on the new DD Form 619. Mr. Mike Cress said USTRANSCOM will reexamine the 619 form and suggested Industry provide input on problems they are experiencing with the new 619.*

Industry requested to continue the use of the old DD Form 619 until their stockpile is depleted. USTRANSCOM and MTMC will notify Industry and TOs with a response at a later date.

ITEM: 123

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: United States Transportation Command and
Personal Property Systems Branch

SUBJECT: New 619

DISCUSSION: There is no longer a 6 cube carton. It has been replaced with an 8
cube carton. Why?

Also, on the SIT section there is a new block called “ordered out”
(13e). What is the purpose of this block?

If SIT delivery and re-weighs are supposed to be entered on the
619-1, why are they also listed on the 619?

RECOMMENDATION: MTMC should respond to the questions and explain how these forms
are to be used.

RESPONSE: See Item 122 for response.

ITEM: 129

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Branch and
Military Services

SUBJECT: Item 508 - Crating Rates, International Solicitation

DISCUSSION: This is an issue that will continue to arise until action or acceptable justification for no action is provided to Industry.

There is no reason why crating rates in the International Solicitation should not reflect the same or near those rates allowed in the Domestic Program. The same material and labor is utilized by the agents in both instances.

The cost of labor and, particularly, material continue to increase, yet the rates do not.

The Domestic Personal Property Solicitation Item for crating of mirrors, paintings, marble, etc., ranges from \$4.65 to \$6.90 per cubic foot depending on the geographical area.

RECOMMENDATION: Industry requests that the rates for crating in the International Solicitation be brought in line with the Domestic Solicitation.

We suggest that MTMC approve a rate of \$5.75 per cubic foot (\$25.00 minimum) for internal crating and \$6.55 per cubic foot (no minimum) for external crates.

RESPONSE: *Mr. Hank Spieler, MTPP-HR, MTMC, recognized that the price of lumber has increased and will research the issue and include the cost of labor and the use of lumber for internal crating. Research progress report will be published before the next M/I Symposium in August 2000.*

Mr. Denis Barborak, MTPP-HR, stated that based on research and working with the Household Goods Forwarders Association it is recognized that industry will obtain an increase effective April 1, 2000. The increase has already been staffed and approved by the military services. Exact details and amount of the increase will be released when changes to the International Rate Solicitation I-12 are published.

ITEM: 130

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Branch

SUBJECT: Excess Distance/Long Carry Charges

DISCUSSION: Excess distance and long carry charges should be addressed in the International Solicitation in addition to that currently provided for in the mini-storage applications.

These items are provided for in the tariff and are recognized as acceptable commercial practice and chargeable items by the Industry's other national accounts which ship internationally.

RECOMMENDATION: Current line items for excess distances and long carries, as well as, relating rates allowed in the MTMC Domestic Solicitation should be incorporated into the ITGBL Solicitation.

RESPONSE: *Mr. Hank Spieler, MTPP-HR, MTMC, replied that excess distance and long carries are part of the single factor rate. Anything in excess of 75ft (will) be paid according to 534. Identify distance and long carries in the solicitation.*

MTMC agreed to put the line items in the solicitation effective April 1, 2000.

ITEM: 133

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Branch and
Military Services

SUBJECT: No 'Date Signed' on the DD Form 1840

DISCUSSION: Recently, some shipments have been scored at 60 for the Date Signed section on the DD Form 1840 not being filled out. These shipments were placed into SIT prior to the RDD.

RECOMMENDATION: We request that a message be sent to all transportation offices advising that the date a shipment delivers into SIT is the date used to determine whether a carrier should be awarded points for an on-time delivery and that the date the DD Form 1840 was signed is not relevant in measuring on-time delivery. Also, we'd like to point out that the lack of a date on an 1840 does not in any way affect the damage, or lack of damage, that is listed on the 1840 as long as the 1840 has been signed by the property owner.

RESPONSE: *Mr. George McDonald, MTPP-HQ, MTMC, replied that a message will be sent to the field advising TOs not to reduce shipment scores because "Date Signed", blocks, 14.f and 15.f have not been completed on the DD Form 1840 within 30 days. Failure of a carrier/agent to properly complete documentation is a Tender of Service violation. TOs should issue letter of warning.*

ITEM: 135

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Services and Operations Branch

SUBJECT: Deployment Support Command (DSC) Realignment

DISCUSSION: With limited advance notice to the Industry, MTMC transferred all personal property functions from the DSC at Fort Eustis to HQMTMC. The DSC performed many useful operational functions that we hope will be continued at HQ.

For example, during the recent snow storms on the east coast, a number of military installations closed. This meant that there was no one available for emergency clearance of DOD shipments on the east coast. The DSC had disbanded their personal property function, HQMTMC was closed, RSMO Ft. Monmouth was closed, and so were most Air Force bases. Carriers tried to get some help from Atlanta RSMO, but because it was out of their area, they were obviously reluctant to provide support. Carriers need points of contact for these types of situations, along with alternates to use in case HQMTMC is closed. The individual service members are the ones who suffer when we are unable to contact them to deliver a shipment.

RECOMMENDATION: MTMC should provide a list of contacts for those offices/employees assuming the duties previously filled by DSC, including addresses, phone numbers, fax numbers, and email addresses. In addition, alternate emergency contacts should be provided in a different geographic location in case of weather problems (or other problems while HQMTMC is itself relocating) for example.

RESPONSES:

RECOMMENDATION #1:

Russ Daly, MTPP-HO, MTMC, replied that effective 18 Jan 00, all personal property functions performed at Deployment Support Command transferred to HQ MTMC, DCSPPP, Personal Property Division (MTPP-H). Operational issues regarding day-to-day activities, i.e., service failures, shipment tracing, property being held by agents/carriers, etc., are now handled by the Operations Team (MTPP-HO). Carrier performance issues, i.e., appeals, claims and review boards are now the responsibility of our Quality and Performance Team (MTPP-HQ). Our POV and Storage Team (MTPP-HP) now handles all issues regarding processing of vehicles under the Global POV Contract.

*Russ Daly, MTPP-HO, CML 703-428-3039, FAX 703-428-3389, email: dalyr@mtmc.army.mil
George McDonald, MTPP-HQ, CML 703-428-3001, FAX 703-428-3388,
email: mcdonaldg@mtmc.army.mil*

Charles Helfrich, MTPP-HP, CML 703-428-2996, FAX 703-428-3388, email: helfichc@mtmc.army.mil

RECOMMENDATION #2:

Military Services agreed to coordinate a joint message to the field on what the procedures are if a carrier has a problem with a shipment clearance, to include holiday closures, inclement weather, and bases closures.

The Military Services agreed that the local TOs must establish a contact list for carriers serving their area of responsibility. This list will be used by the carrier in all circumstances.

ITEM: 141

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Defense Finance and Accounting Services

SUBJECT: Payment to Agents when Carriers Cease Operations

DISCUSSION: The recent decision by A Olympic Forwarders and Emerald City International to cease operations has left numerous service providers stranded with significant sums of money owed to them. On the domestic side, Global Van Lines' filing for bankruptcy has caused similar problems. These situations have been made significantly worse by DFAS' refusal to accept waivers. In previous cases, warehousemen were able to bill the Government directly for services rendered by them, rather than being forced to stand in line behind all other creditors for payment.

RECOMMENDATION: MTMC and DFAS need to work out a process for service providers to be paid when a DOD approved carrier that was originally tendered the shipment no longer is in business. If the carrier has not already been paid for storage charges, the warehouse should be permitted to bill for that storage and collect the money that is rightfully theirs.

RESPONSE: *Mr. James Burnett, DFAS-IN, replied that the proposed changes to 41 CFR 101-41 and 102-118, requiring the paying agency to pay only the service provider, impacts this item. Recommend this issue be tabled in light of the pending changes to regulatory guidance.*

DFAS will pay agents on a case-by-case basis.

ITEM: 147

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Claims Services

SUBJECT: Conversion to NTS

DISCUSSION: Item 316 of the RSD-6 states, "When a shipment is not removed from SIT by the expiration of the 180th day, or at the end of the extended SIT period authorized by the PPSO, liability as a carrier shall terminate at midnight of the last day of the SIT period, the through GBL character of the shipment shall cease, the warehouse shall be considered the final destination point of the shipment, the warehouseman shall become agent for the shipper, and the shipment then becomes subject to the rules, regulations, charges and liability of the warehouseman."

This issue has been raised in the past, where the PPSO does not take any action to extend the SIT on a shipment on or before the 180th day, and no extension notice is provided to the carrier or its agent on or before the 180th day, but at some point well past the 180th day, the PPSO "declares" that SIT had been extended and produces a DD1857 prepared after the 180th day.

RECOMMENDATION: This retroactive authorization should not be allowed and the carrier and its agent should be entitled to know unequivocally what the nature is of shipments in storage and whether they are carrier liability or warehouseman liability. The PPSO should not be able to declare SIT "after the fact." DTR Part IV should be amended to specifically address the retroactive provision.

RESPONSE: *Army Claims Service will address.*

ITEM: 148

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Claims Services

SUBJECT: Liability on Sit Expiration

DISCUSSION: When SIT expires, either at midnight on the 180th day or at the end of any properly extended SIT period, or when the shipment converts to permanent storage at either member or Government expense, DOHA has recently ruled (Settlement Decision 99092918) that the GBL carrier must have taken a rider against the warehouse at the time of SIT expiration. There is no such obligation in any of the regulations, the RSD-6 or the DTR. In fact, the SIT warehouse is the one who takes a rider against the carrier when the shipment is first placed into SIT. At the time of conversion, the carrier has already established the condition of the goods being converted to permanent storage by the original inventory and any rider taken at the time the goods were placed into SIT. This DOHA decision is in error procedurally.

RECOMMENDATION: We request that the claims services review the matter to acknowledge the warehouseman's legal liability as last handler as opposed to the carrier's liability.

RESPONSE: *Army Claims Service will address.*

ITEM: 149

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: U.S. Transportation Command (TRANSCOM)

SUBJECT: Defense Transportation Regulations (DTR) - Part IV

DISCUSSION: Through various channels it was determined that the newly issued DTR (August 1999) would require a review and amendment.

RECOMMENDATION: Industry should be provided an update on the status of the TRANSCOM review and re-write/amendment of the DTR - Part IV.

ITEM: 150

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: U.S. Transportation Command (TRANSCOM)

SUBJECT: Updates to DTR - Part IV

DISCUSSION: At the last M/I meeting, TRANSCOM indicated that they were working on updates or revisions to the new DTR - Part IV. This document is obviously very important to the industry, and we would like to be involved in these revisions.

RECOMMENDATION: DOD should provide an update on the progress of the DTR revisions detailing which items are being revised or updated and the impact of the revisions.

ITEM: 151

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Branch

SUBJECT: Item 515 - International Solicitation

DISCUSSION: In the Domestic Tariff (Item 426) carriers are paid \$2.50 to inspect shipments releasing from Non-Temporary Storage (NTS).

Carriers are asked to provide this service free of charge to the Government and/or the military service member, yet the new carrier inherits full claims liability.

RECOMMENDATION: In light of increased carrier liability, we request that the reduction of \$2.25 be eliminated and that a charge of \$2.50 apply to shipments releasing from NTS.

RESPONSE: *Documentation will be reviewed and the results furnished at a later date.*

ITEM: 152

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Branch

SUBJECT: Item 522 - Termination of HHG Shipment

DISCUSSION: Compensation to CONUS agents is \$12.50 per cwt. This rate item has remained unchanged for many years. The average USA origin rate approaches \$21.00 cwt. An average overseas origin rate would be \$30.00 cwt.

RECOMMENDATION: Item 522 should be amended to include compensatory charges for CONUS agents at \$21.00 per net cwt and overseas agents at \$30.00 per net cwt.

RESPONSE: *We will review documentation with the ITGBL carriers in mind and provide a response at a later date.*

ITEM: 153

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Branch

SUBJECT: Puerto Rico - Accessorial Rates

DISCUSSION: Due to the relocation of the Southern Command and other new operational concerns and economic factors in Puerto Rico, agent capacity and capabilities have been seriously taxed and compromised.

RECOMMENDATION: We strongly recommend MTMC immediately implement an emergency 15 percent increase in accessorial rates for the service of; Storage in Transit (SIT), Warehouse Handling, as well as, Pick-up and Delivery to/from SIT.

In addition to the emergency increase, we recommend that Pick-up and Delivery to/from SIT be subject to a 30 mile radius. All pick-ups and deliveries beyond the 30 mile radius would be subject to an "Additional Mileage Charge" From Schedule A - "Household Goods CONUS Linehaul Rates Including Alaska and Hawaii and Puerto Rico."

RESPONSE: *MTMC implemented an increase in IW 99 effective October 1, 1999. On July 16, 1999, we requested input from the ITGBL for the carrier for Puerto Rico to be due back on October 1, 1999 (see attached copy).*

The date was extended two times at the request of the HHGFAA Accessorial Committee, due to either receipt of incomplete documentation or non-receipt of documentation. When the document was finally received, research proved that there was no increase due.

We will be glad to again work with the HHGFAA Accessorial Committee to further review Puerto Rico.

ITEM: 154

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Domestic and International Rates Branch

SUBJECT: Overseas Line Haul Rates - Schedule B

DISCUSSION: Schedule B of the International Solicitation has not been updated for many years.

Service providers are being asked to provide service below compensatory rates.

RECOMMENDATION: In order to remain competitive and parallel with commercial service providers, we recommend MTMC implement an immediate increase of a minimum 10% in the overseas line haul rates.

RESPONSE: *The following statement is from the Summary Agenda from the Symposium held on September 11, 1997:*

Mr. Hank Spieler, MTMC, ADCSOPS for Transportation Services, concurs with recommendation. Mr. Al Johnson, MTMC Europe, is compiling cost data. Household Goods Forwarders Association agreed to provide input in US Dollars from their agents to MTMC Europe to assist in rate review. HQMTMC will then review and compile cost data upon completion of MTEUR evaluation.

Mr. Tim Daniel, is the current point of contact for MTMC Europe. To date, MTMC Europe has not received any input from Household Goods Forwarders Association.

ITEM: 155

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Branch

SUBJECT: TQAP Regulations

DISCUSSION: The old 4500 regulations were never revised to include the changes to the TQAP program that are specified in the TQAP manual and in various messages from MTMC. The TQAP regulations are now in appendix BM of the DTR Part IV. It appears that they may be based on the old 4500 without including all of the changes in the TQAP program.

For example, in the old TQAP manual, on page 23, C,4,c,(7), it states, "If loss and/or damage is indicated, but there is not enough information to develop an estimate of the loss and/or damage, the PPSO will indicate a dollar amount of loss and/or damage under \$100 on DD Form 1780." This wording is not found in the DTR.

Furthermore, there is nothing in the DTR about the postmark of the envelope in which DD1780's are mailed determining the batchmail period for which they apply. This language was covered in guidance messages issued by Betty Wells. It arose from the continuing practice of many PPSO's dating DD1780's within one batchmail period, but not mailing them until another. For example, the DD1780 may be dated 6/15/00, but not postmarked until 7/10/00, making the batchmail date 7/15/00 and the appeal period 45-days from 7/15/00. This is critically important when a PPSO mails a DD1780 long after the date on the form or even after a cycle-end scoring cutoff of 8/15 or 2/15 respectively.

RECOMMENDATION: MTMC should acknowledge that the TQAP regulations as described in the TQAP manual and in various MTMC messages supersede the provisions on TQAP in the new DTR Part IV.

Additionally, TRANSCOM has indicated that they will work with industry on the new DTR, recognizing that there needs to be industry input and that some items may have been left out or not changed as required. Specifically, we request that TRANSCOM revise the wording of Section 4(c), page BM-15 by adding the language in italics above.

We also request that TRANSCOM transfer the wording from the MTMC Guidance Messages regarding batchmail dates and postmarks into the new regulations in the DTR Part IV.

ITEM: 156

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Branch

SUBJECT: Inventory Preparation

DISCUSSION: Some ITOs have used inventory preparation as grounds for carrier suspension. The specific issue is listing of items in a container.

We believe that the DTR allows a carrier wide latitude in content descriptions for good reason as is commercial practice. We do not believe that an ITO should penalize a carrier for non-specificity in the preparation of an inventory as long as the inventory meets the established guidelines of MTMC and commercial practice.

RECOMMENDATION: MTMC should advise ITOs that degree of specificity of carton contents is a carrier and customer issue. The important thing for inventory preparation is that the customer be given a legible copy of the inventory that lists in general terms the contents of containers and in specific terms the condition of furniture items and that the customer is satisfied with the inventory.

ITEM: 157

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Branch

SUBJECT: Immediate Suspensions

DISCUSSION: Some installations do not seem to be complying with the procedures listed on pages BM-5 and BM-6 of the DTR Part IV regarding when to institute an immediate suspension versus a regular suspension where the penalty is not imposed until after the carrier has due process and has 20 days to present its side of the situation. Suspension of a carrier at a local installation can have a devastating impact on an agent and it should not be taken lightly.

RECOMMENDATION: MTMC should issue a message to ITOs clarifying that immediate suspensions are only to be issued for the types of violations listed in the DTR, which are significantly more severe than most TOS violations. ITOs should be advised that the majority of their enforcement actions should be regular suspensions rather than immediate suspensions, which should be reserved for only the most egregious violations.

ITEM: 158

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Carrier Qualification and Performance Branch

SUBJECT: Appeals Process for Agent Disqualification

DISCUSSION: It is generally understood that the appeal process is the same for an agent who is disqualified as it is for a carrier suspension. However there is no specific item that provides an agent with a right to an appeal when an agent is disqualified. Guidance for this process should include the right to appeal to someone other than the local ITO, who obviously is the one taking the disqualification action in the first place. The whole process is flawed because the office bringing the action is the office ruling on its merits. There is not an impartial third party in the process.

RECOMMENDATION: MTMC should clarify that agents can appeal disqualification actions of a local ITO to that ITO's superior command or service headquarters. The next step after this would be to appeal to the RSMO and then MTMC.

ITEM: 159

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Storage and POV Branch

SUBJECT: Carton Testing Standards/Loading Shipments

DISCUSSION: Some box manufacturers have advised that the PSI standards for boxes are no longer generally used. The PSI standard has apparently been replaced with a new measuring standard, Edge Crush Test or ECT-32. Apparently, the ECT is considered a better measure of the box's strength because it helps to measure the amount of external weight that can be placed on a box before it is crushed. In 1996, MTMC notified the industry that it was transitioning to a commercial testing standard after a one-year test period. We are not certain if this change was ever made.

Some ITOs have advised carriers that boxes placed on their sides do not meet the PSI standards stated in the DTR. Letters of warnings have been issued to carriers regarding this issue and in some cases suspension action has been taken.

The ECT test results for containers indicate that a box can lose about 10% of its strength when placed on its side instead of upright. This is still within the range of the PSI 200-burst strength test mandated by the DTR. If the box is not overloaded, it will still comply with the 200 PSI test when it is loaded properly on its side.

However, some bases are stating that cartons that are not loaded upright lose their structural integrity and thus do not permit carriers to place boxes on their sides during shipment. In order to properly load a vehicle or a shipping container, it is sometimes necessary to turn a box on its side so that it will fit into a hole and prevent the boxes on each side from shifting during transit.

RECOMMENDATION: MTMC should revise its PSI 200 standards and accept industry standards for box construction and strength. MTMC should advise all installations that how a box is used and loaded should be left to the carrier's discretion and that the only container standard that applies is the revised container strength test.

ITEM: 160

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Storage and POV Branch

SUBJECT: Packing Procedures

DISCUSSION: TOS paragraph 19a appears to contain a possible contradiction. It initially states that “all packing by the carrier will be performed in a manner requiring the least cubic measurement” but it also directs carriers to use the original containers for stereo equipment at the shipper’s request. If the carrier can repack the item in a carrier-supplied container that would take up less cubic feet than the original factory container supplied by the shipper, is the carrier in violation of the cubic foot rule by using the shipper’s larger container? One installation has issued letters of warning and suspension action against a carrier for repacking original factory containers thereby violating this “least cubic measurement” rule.

RECOMMENDATION: MTMC should publish guidelines for the use of original factory containers. MTMC should advise local ITOs that suspension action must be used only after it has been established that it is the regular practice of the carrier to improperly violate the cubic foot rule through packing of carrier supplied cartons rather than through the use of original factory containers provided by the customer.

ITEM: 161

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Operations Branch

SUBJECT: SIT Clearance

DISCUSSION: During this summer, a number of bases in DC and Virginia had many warehouses without available SIT space. When carriers contacted bases in the D.C. and Tidewater area to determine what their policies are concerning SIT clearance, several different answers were provided. The following told us that the origin base is responsible to find a SIT agent if the destination agent(s) are saturated: Norfolk, Ft. Lee, Naval Academy, Ft. Belvoir. This was a new policy that industry was not aware of in the past. Aberdeen said it is their responsibility and Langley said it is up to the carrier to locate SIT space.

RECOMMENDATION: MTMC should clarify how the process of SIT clearance is supposed to work, including the degree of assistance to be provided by the destination base, especially when available SIT space is limited or saturated.

RESPONSE: Russ Daly, MTPP-HO, stated the carrier is required to provide SIT when necessary. The carrier must determine from their agents if SIT is available at destination. This is not the responsibility of the TO at destination. In the event that SIT is not available at destination the carrier in cooperation with the origin TO should utilize SIT facilities at origin or enroute.

ITEM: 162

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Personal Property Systems Branch

SUBJECT: DD Form 619

DISCUSSION: At the last M/I meeting, it was decided that industry and DOD should meet to discuss whether the new DD Form 619 or some other version was the best version of the form to use in the future, due to some errors on the new form. We had held a number of meetings on this subject in the early 1990s, but had heard nothing since 1993 until the new form appeared last year. Industry believes that this form is important, and that it should be developed with input from the people who use the form.

RECOMMENDATION: MTMC should designate a point person to schedule a meeting on the DD Form 619 in the near future so all interested parties can discuss which version of the form best meets everyone's needs.

ITEM: 163

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Personal Property Systems Branch

SUBJECT: PowerTrack

DISCUSSION: MTMC recently sent a letter to freight carriers advising that PowerTrack was now mandatory for all MTMC freight transportation.

RECOMMENDATION: MTMC should advise their plans regarding the use of PowerTrack in the personal property program, other than the FSMP project, which we know will use PowerTrack.

ITEM: 164

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Defense Finance and Accounting Service (DFAS)

SUBJECT: DFAS-IN / Duplicate Request for GBLs

DISCUSSION: This is an Open Issue.

Issue dealt with DFAS-IN contacting carriers and requesting that they provide a second or duplicate copy of the GBL.

Discussions identified related problems with carriers' invoicing being purged from the DFAS system and the failure of "appropriation codes" not being entered into the TOPS system.

Several actions were tasked to both DFAS-IN and MTMC-HQ.

RECOMMENDATION: MTMC and DFAS-IN should report on the actions taken.

ITEM: 165

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Defense Finance and Accounting Service (DFAS)

SUBJECT: Live Ink Signatures

DISCUSSION: Navy Paying Offices (DFAS-Norfolk) are returning carrier invoices unpaid on the basis that the supporting documents do not have a 'live ink signature' as proof of delivery.

In some instances, as in the case of a direct delivery, there is no DD-619 required. Further, the Original 1840 is required to be returned to the Origin Transportation Office.

RECOMMENDATION: Assuming that there is no similar requirement in the EDI billing process and that the government is to be soon operating in a paperless environment, the Navy should accept "copies" of documents that bear the signature of the individual.

The Government would retain the right to take action against any carrier found to be falsifying documentation.

ITEM: 166

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Defense Finance and Accounting Service (DFAS) and Military Claims Services

SUBJECT: Information on Refund Checks

DISCUSSION: When a carrier is granted a refund check because of a successful appeal of a setoff action, the checks that come from DFAS often do not provide any information about what they are for. This is particularly problematic on Navy refunds, but is not limited to just the Navy. Additionally, when the carrier calls DFAS to find out what the check is for, it often takes hours to obtain this information.

RECOMMENDATION: DFAS should provide as much identifying information as possible on its checks, including at a minimum the GBL number and preferable the carrier's claim number. The military services need to ensure that this information is provided to DFAS so that it can be forwarded to the carrier with the payment.

ITEM: 167

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Defense Finance and Accounting Service (DFAS)

SUBJECT: SIT Waivers

DISCUSSION: This summer, many carriers experienced difficulty finding storage warehouses that would accept their shipments for storage, now that SIT waivers have been outlawed by DFAS. Many warehousemen have decided that they will only accept SIT from the carriers they represent and have an ongoing relationship with in order to ensure that they will be paid for the storage. At certain bases, a few warehouses had space available, but were only accepting shipments from their carriers. Other carriers could not use those facilities, and in some instances, the bases refused to authorize long deliveries to any other warehouse. This is a catch-22 for the carrier, who has nowhere to legally store the shipment.

This led to difficulties in picking up other shipments, as the moving vans couldn't free up the space in the truck by offloading an inbound shipment into storage. This situation obviously compounded the normal summer peak season problems and probably led to decreased quality of service provided to many service members this summer.

RECOMMENDATION: DOD needs to reexamine its waiver policy in light of the service failures it caused this summer. The military services need to tell DFAS to change its policy and permit SIT agents to bill directly for the storage charges.

In the interim, the bases need to be told to be more flexible in working with carriers who are trying to find a place to store shipments. Refusing to authorize storage outside of the area is not acceptable and negatively impacts service to members.

ITEM: 168

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Defense Finance and Accounting Service (DFAS)

SUBJECT: NTS Payments

DISCUSSION: Some NTS contractors are not being paid in a reasonable time. The problem started over a year ago when the payment process was changed by DFAS and new finance centers were assigned to make these payments. Some of these locations were not experienced with paying NTS invoices, so they did not process them in a timely manner, and some contractors are still owed money from that process.

The second problem arose from the change put in place next: NTS contractors were required to use TOPS-generated invoices rather than contractor invoices, in order to ensure uniformity of format. While there may be some merit to uniform invoices, this process of TOPS generation leads to significant delays as the contractors must wait for the installation to generate their invoice before they can submit it for payment. This delay is not covered by the Prompt Payment Act because it occurs prior to submission of a complete invoice.

Finally, all of these changes were decided upon by a committee that did not include industry representatives. We continue to believe that it is better for DOD to include industry input when making such significant changes.

RECOMMENDATION: DFAS needs to resolve all backlogs of invoices awaiting payment.

Secondly, DFAS should accept contractor-generated invoices for NTS. If a specified format is necessary to ensure that DFAS locations can comprehend the invoice, DFAS should work with industry to develop a standard invoicing format for NTS.

ITEM: 169

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Defense Finance and Accounting Service (DFAS) - various locations

SUBJECT: DFAS Payments

DISCUSSION: DFAS-IN used to provide regular updates on the status of their carrier payment process, including the amount of backlog, if any, in their payments. There has been only one update posted to their web site since October, and that was in March.

We are also hearing some indications that DFAS-Norfolk may be falling behind in processing invoices, and in inputting the invoices into their system upon receipt in order to ensure accurate accounting of Prompt Payment interest owed. With a significant surge in invoices expected to hit this fall after the conclusion of the peak summer season, this is a major concern that can only get worse over the next few months.

RECOMMENDATION: DFAS locations should provide an update on the current status of their invoice processing efforts, to include whether they are experiencing any backlogs at any of their locations.

DFAS locations should provide regular updates of the status of their payments. If a DFAS web site is too cumbersome, some other method of distribution should be used.

DFAS should indicate what their plans are to accommodate and process the surge of invoices they will be receiving in the next few months at each of their locations.

ITEM: 170

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: GSA Audits

SUBJECT: Document Requests from GSA Audits

DISCUSSION: The GSA's audit contractor has been issuing a large number of document requests for military shipments. For small carriers this has created a huge administrative burden that is only compounded by the lack of information on the request. Many requests provide no information other than a GBL number and a document request. This is not enough information for easy identification of shipments.

RECOMMENDATION: That GSA request from the auditing contractor that they send a more detailed request for information to the carrier. Such information should include the carrier bill number and a customer name in addition to the GBL number.

RESPONSE: James Fitzgerald, GSA, responded that GSA contractors have been reminded to include carrier bill numbers and members name but these are required fields and a random check of letters being sent out this week showed all contained this information.

ITEM: 171

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Military Services

SUBJECT: Personal Watercraft (Jet Skis)

DISCUSSION: This is an old issue and one that the Industry will continue to pursue.

The Industry's position is that Personal Watercraft and the trailers they are transported on should be handled as OTO shipments. Further, the concerns and data supporting this position have been will documented in previous M/I agenda submissions.

Personal Watercraft (PWC) have grown in size and weight. Some PWC models now carry as many as 4 people. PWC owners often have two crafts carried in tandem on dual trailers which can be over 14 feet in length and exceeding 8 feet wide.

The Industry has confirmed information that the "National Motor Freight Classification" Committee considers personal watercraft under its "Boat Group" Item 25095. Further, class rates relative to hauling personal watercraft are predicated on the size and density of the personal watercraft..

RECOMMENDATION: MTMC and the Joint Military Services "Per Diem Committee, which establishes service member entitlements, should recognize that the size and nature of personal watercraft have changed considerably.

Carriers should not be expected to transport these items without the ability to bid and recover the extraordinary costs associated with doing so. This can only be done if handled as One-Time-Only shipments.

ITEM: 172

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Services

SUBJECT: Summer Peak Season

DISCUSSION: From the industry perspective, this summer has been the busiest summer in over a decade, with military business up approximately 10% over last year, according to AMSA's statistics. Industry capacity is also down significantly due to the good economy and low unemployment making it difficult to recruit sufficient drivers to the industry.

RECOMMENDATION: Panelists should discuss any lessons learned this summer and attempt to resolve any remaining problems. The finance centers and claims offices should prepare for the larger than normal volume of shipments that could hit their desks in the fall.

ITEM: 173

PROPONENT: Household Goods Forwarders Association

STAFF PROPONENT: Military Claims Services

SUBJECT: Claims - Code J Shipments

DISCUSSION: This is an "Open" issue carried over from the September 22, 1999 M/I meeting.

In the Summary Agenda it was reported that the..." Military Claims Services concurred with the recommendation that Code J should be treated the same as Code 5 & T Shipments as far liability is concerned."

The recommendation was that ..."the military should be held responsible for fifty (50) percent of the Code J Claim."

To date, Industry is not aware of any action on the part of TRANSCOM, MTMC or the Claims Services relative to establishing the policy or procedures for this new shared liability.

Further, the new "Advance Shipping Notice" or "Required Port Delivery Dates (RPDD)" on Code J shipments will moved from the test stage to full implementation this October.

RECOMMENDATION: TRANSCOM and MTMC should issue an immediate amendment to the Solicitation and DTR to reflect the 50/50 split on claims liability.

ITEM: 174

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Claims Services

SUBJECT: Claims Rebuttal Time Limits

DISCUSSION: Some overseas installations are responding to carrier claims settlement offers with a rebuttal, but not allowing sufficient time for the carrier to respond. It can take up to three weeks for regular mail to travel to or from some overseas locations, which delays the claims settlement process.

RECOMMENDATION: When communicating with carriers, claims offices should make sure to supply phone, fax, and email addresses to help expedite the carrier response and improve communication (as discussed at the last M/I). If regular mail is used to provide a rebuttal, the claims offices should make sure to provide additional time for the response.

ITEM: 175

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Claims Services

SUBJECT: Copies of Military Inspections

DISCUSSION: In many instances when the military claims service performs an inspection of a damaged item, a copy of the inspection report is not provided to the carrier with the demand packet. Many times it is not brought up until a rebuttal is received and even then it is usually not provided. It would be easier for the carrier to process the claim accurately if this information is made available as early as possible in the process.

RECOMMENDATION: The claims services should send a memo to their field offices reminding them to provide a copy of the base's inspection report to the carrier with the rest of the demand packet, so the carrier will have that information when they evaluate the claim.

ITEM: 176

PROPONENT: American Moving and Storage Association

STAFF PROPONENT: Military Claims Services

SUBJECT: Unpacking

DISCUSSION: Some bases do not permit movers to unpack any items if the member refuses, even if the item is a high value/high risk item. Movers need to be able to verify that these items were delivered in order to prevent fraudulent claims.

RECOMMENDATION: Carriers have the right to verify and should always be permitted to unpack high value items or other items in front of the member in order to establish that an item did in fact arrive at destination in good condition.